

NAIC BLANKS (E) WORKING GROUP

Blanks Agenda Item Submission Form

<p align="right">DATE: <u>3/26/2026</u></p> <p>CONTACT PERSON: _____</p> <p>TELEPHONE: _____</p> <p>EMAIL ADDRESS: _____</p> <p>ON BEHALF OF: _____</p> <p>NAME: <u>Kevin Clark</u></p> <p>TITLE: <u>Chair SAPWG</u></p> <p>AFFILIATION: <u>Iowa Insurance Division</u></p> <p>ADDRESS: _____</p>	<p align="center">FOR NAIC USE ONLY</p> <p>Agenda Item # <u>2026-10BWG</u></p> <p>Year <u>2026</u></p> <p>Changes to Existing Reporting <input checked="" type="checkbox"/> [X]</p> <p>New Reporting Requirement <input type="checkbox"/> []</p> <hr/> <p align="center">REVIEWED FOR ACCOUNTING PRACTICES AND PROCEDURES IMPACT</p> <p>No Impact <input checked="" type="checkbox"/> [X]</p> <p>Modifies Required Disclosure <input type="checkbox"/> []</p> <p>Is there data being requested in this proposal which is available elsewhere in the Annual/Quarterly Statement? <input type="checkbox"/> [No]</p> <p><i>***If Yes, complete question below***</i></p> <p align="center">DISPOSITION</p> <p><input type="checkbox"/> [] Rejected For Public Comment</p> <p><input type="checkbox"/> [] Referred To Another NAIC Group</p> <p><input checked="" type="checkbox"/> [X] Received For Public Comment</p> <p><input type="checkbox"/> [] Adopted Date _____</p> <p><input type="checkbox"/> [] Rejected Date _____</p> <p><input type="checkbox"/> [] Deferred Date _____</p> <p><input type="checkbox"/> [] Other (Specify) _____</p>
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BLANK(S) TO WHICH PROPOSAL APPLIES

- | | | |
|---|--|---|
| <input checked="" type="checkbox"/> [X] ANNUAL STATEMENT | <input checked="" type="checkbox"/> [X] INSTRUCTIONS | <input checked="" type="checkbox"/> [X] CROSSCHECKS |
| <input checked="" type="checkbox"/> [X] QUARTERLY STATEMENT | <input type="checkbox"/> [] BLANK | |
| <input checked="" type="checkbox"/> [X] Life, Accident & Health/Fraternal | <input type="checkbox"/> [] Separate Accounts | <input type="checkbox"/> [] Title |
| <input type="checkbox"/> [] Property/Casualty | <input type="checkbox"/> [] Protected Cell | <input type="checkbox"/> [] Other _____ |
| <input type="checkbox"/> [] Health | <input type="checkbox"/> [] Health (Life Supplement) | <input type="checkbox"/> [] Life (Health Supplement) |

Anticipated Effective Date: Annual 2026

IDENTIFICATION OF ITEM(S) TO CHANGE

Update Life/Fraternal Liability Lines 24.03 and 24.07 to add reference to use the book/adjusted carrying value and an annual crosscheck to Schedule S. Also add reference to use the book/adjusted carrying value to Schedule S, Part 3, Section 1, Column 15; Schedule S, Part 3, Section 2, Column 14; Schedule S, Part 4, Column 12; and Schedule S, Part 5, Column 20.

REASON, JUSTIFICATION FOR AND/OR BENEFIT OF CHANGE**

The purpose of this proposal is address inconsistent guidance regarding the valuation of the liability for funds withheld in a life or health reinsurance agreement. (SAPWG Ref. 2026-02)

*****IF THE DATA IS AVAILABLE ELSEWHERE IN THE ANNUAL/QUARTERLY STATEMENT, PLEASE NOTE WHY IT IS REQUIRED FOR THIS PROPOSAL*****

NAIC STAFF COMMENTS

Comment on Effective Reporting Date: _____

Other Comments:

** This section must be completed on all forms.

SCHEDULE S – PART 3 – SECTION 1

**REINSURANCE CEDED LIFE INSURANCE, ANNUITIES, DEPOSIT FUNDS, AND OTHER LIABILITIES WITHOUT LIFE OR
DISABILITY CONTINGENCIES, AND RELATED BENEFITS LISTED BY REINSURING COMPANY AS OF DECEMBER 31, CURRENT
YEAR**

↓ **====** **Detail Eliminated To Conserve Space** **====** ↓

Column 15 – Funds Withheld Under Coinsurance

Report the book/adjusted carrying value of the amount of funds withheld on coinsurance contracts.

SCHEDULE S – PART 3 – SECTION 2

REINSURANCE CEDED ACCIDENT AND HEALTH INSURANCE LISTED BY REINSURING COMPANY
AS OF DECEMBER 31, CURRENT YEAR

↓ **====** **Detail Eliminated To Conserve Space** **====** ↓

Column 14 – Funds Withheld Under Coinsurance

Report the book/adjusted carrying value of the amount of funds withheld on coinsurance contracts.

SCHEDULE S – PART 4

REINSURANCE CEDED TO UNAUTHORIZED COMPANIES



Detail Eliminated To Conserve Space



Column 12 – Funds Deposited By and Withheld From Reinsurers

Include:

Where permissible to be taken as credit against the loss and reserve liabilities in Column 8, amounts deposited by the reinsurer with or for the reporting insurance company, letters of credit, and trust agreements. Securities withheld from the reinsurer or held on deposit should be valued at the book/adjusted carrying value of the funds held by the ceding entity. ~~or Funds held in a trust fund should be valued at fair market value.~~

~~NAIC published market values must be used when available.~~ Letters of credit and trust agreements are not to be included in assets or liabilities on Pages 2 or 3 or supporting pages and exhibits.

SCHEDULE S – PART 5

REINSURANCE CEDED TO CERTIFIED REINSURERS



Detail Eliminated To Conserve Space



Column 20 – Funds Deposited by and Withheld from Reinsurers

Include:

Where permissible to be taken as credit against the loss and reserve liabilities in Column 14, amounts deposited by the reinsurer with or for the reporting insurance company, letters of credit, and trust agreements. Securities withheld from the reinsurer or held on deposit should be valued at the book adjusted carrying value of the funds held by the ceding entity. ~~or Funds held in a trust fund should be valued at fair market value.~~

~~NAIC published market values must be used when available.~~ Letters of credit and trust agreements are not to be included in assets or liabilities on Pages 2 or 3 or supporting pages and exhibits.

